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RECORDATION NO. 23850 FILED

JAN 31 '02

9-40 AM

SURFACE TRANSPORTATION BOARD

January 31, 2002

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, I submit for filing and recording under 49 U.S.C. § 11301 (a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Use Agreement ("Agreement") dated as of JANUARY 31, 2002.

The parties to the enclosed Agreement are:

Flex Leasing I, LLC	-	LESSOR
Suite 300		
234 Front Street		
San Francisco, CA 94111		

Lake Michigan & Indiana Railroad Company	-	LESSEE
Martin Tower		
1170 Eighth Avenue		
Bethlehem, PA 18018		

The said Agreement, among other things, acts to lease 35 steel coil cars as covered in Annex A thereto by the Lessor to the Lessee.

The equipment covered by the instant Agreement is as identified in Annex A thereto, copy attached, namely 35 steel coil cars, LW495500-495534, (f.k.a. CSXT 495500-495534).

A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Lease of 35 steel coil cars LW495500-495534 (formerly designated as CSXT numbers)."

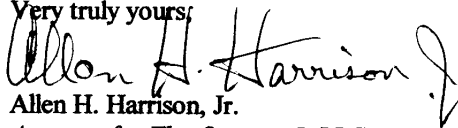
Please enter under this Recordation No. the following cross index reference:

"See Recordation No. 21888-U."

Enclosed is a check in the amount of fifty-six dollars (\$56.00) in payment of the filing fee (\$28.00) and the cross indexing fee (\$28.00).

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in cursive script that reads "Allen H. Harrison, Jr." with a stylized flourish at the end.

Allen H. Harrison, Jr.
*Attorney for Flex Leasing I, LLC
for the purpose of the filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Enclosures

BY HAND

8212-020

JAN 24 2002 19:30 FR RDJ

2128037897 TO *202321580045170 P.05

ANNEX A

Description of Equipment

STEEL COIL, GAAS
Thirty-five (35) 42', 110-ton capacity with single insulated cover,
286,000 lb. GRI, numbered:

LW 495500 through 495534 inclusive

[LMIC]

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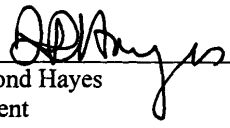
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MEMORANDUM OF USE AGREEMENT

SURFACE TRANSPORTATION BOARD

FLEX LEASING I, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, is a party to a certain (unfiled) letter agreement for the use of railcars, dated September 17, 2001 (the "Use Agreement"), with **LAKE MICHIGAN & INDIANA RAILROAD COMPANY** ("Lessee"), located at 1170 Eighth Avenue, Martin Tower, Bethlehem, Pennsylvania 18018, covering the railcars listed on Annex A attached hereto.

Dated as of January 31, 2002**FLEX LEASING I, LLC**



Desmond Hayes
President

STATE OF CA)
) ss:
COUNTY OF SF)

On this 21st day of January, 2002, personally came before me, Desmond P. Hayes, who, being by me duly sworn, says he is President of Flex Leasing I, LLC and that said writing was signed on the date hereof by him on behalf of said company by its authority duly given. The said President acknowledged the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 21st day of January, 2002.




Notary Public
My Commission Expires: June 28, 2005

ANNEX A

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[LMIC]